

**Dorset County Hospital NHS Foundation Trust
Remuneration Committee**

TERMS OF REFERENCE

<p>1. Constitution</p>	<p>The board hereby resolves to establish a committee of the board to be known as the Remuneration Committee (the committee). The committee is a non-executive committee of the board and has no executive powers, other than those specifically delegated in these terms of reference.</p>
<p>2. Authority</p>	<p>The committee is authorised by the board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee, and all employees are directed to cooperate with any request made by the committee. The committee is authorised by the board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, if it considers this necessary.</p>
<p>3. Role and Purpose</p>	<p>The Committee provides the Board with a means of independent review of remuneration and executive director appointments in accordance with relevant laws, regulation and Trust policies.</p> <p>The Committee is responsible for appointing and determining the starting salaries of the Chief Executive¹ and Executive Directors² and to review and make recommendations to the Board on its Executive composition, balance and skill mix, taking into account the future challenges, risks and opportunities facing the trust and the skills and expertise that are required within the Board to meet them.</p> <p>The committee is responsible for:</p> <ul style="list-style-type: none"> • Determining the remuneration packages for the Chief Executive and the Executive Directors and ensuring that adequate executive succession planning arrangements are in place. • Determining the remuneration package for all staff who are not Executive Directors but are on Very Senior Manager (VSM) terms and conditions. • Scrutinising non-contractual termination and special payment packages for the Chief Executive and Executive Directors, ensuring that these represent value for money.
<p>4. Responsibilities</p>	<p>Appointments The committee will:</p> <ul style="list-style-type: none"> • regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board, making use of the output of the Board evaluation process as appropriate, and make recommendations thereon. • give full consideration to and make plans for succession planning for the executive directors, taking into account the challenges and opportunities facing the Trust and the skills and expertise needed on the Board in the future. • approve a description of the role and capabilities required for the appointment of Executive Directors, taking into account the views of the Board of Directors on the qualifications, skills and experience required for each position. • ensure that a robust appropriate process is in place for the appointment of the Chief Executive and Executive Directors.

¹ Health and Social Care Act 2012

² Executive Directors includes non-voting members of the Board of Directors.
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	<ul style="list-style-type: none"> • recommend the appointment of the Chief Executive to the Council of Governors. <p>Remuneration The Committee will:</p> <ul style="list-style-type: none"> • Ensure that the starting salary and remuneration of the Chief Executive and Executive Directors are sufficient to attract, retain and motivate high calibre individuals whilst ensuring that it is not more than necessary for this purpose. • ensure that appraisals are undertaken for Executive members of the Board in their capacity as Board members. • determine the appropriate remuneration and terms of service of the Chief Executive and Executive Directors including: <ul style="list-style-type: none"> ○ All aspects of salary (including any performance related element/bonuses). ○ Provisions for other benefits, including pensions and cars. ○ Agreement of contracts of employment and if applicable terms of office. ○ Arrangements for termination of employment and other contractual terms, including the proper calculation and scrutiny of termination payments taking account of such national guidelines as appropriate. ○ Consider any matter relating to the continuation of office of any Executive Director including the suspension or termination of service of an individual as an employee of the trust, subject to the provisions of the law and their service contract. • Approve all non-contractual termination payment in excess of a monetary level to be agreed by the Committee. <p>Policies, Guidance and Regulation The Committee will</p> <ul style="list-style-type: none"> • adhere to all relevant laws, regulations and Trust policies and give due regard to all relevant guidance, recognise those areas that apply on a 'comply or explain' basis. • establish and keep under review a remuneration policy or principles in respect of executive directors
<p>5. Accountability Arrangements</p>	<p>The committee shall report to the board on how it discharges its responsibilities.</p> <p>The minutes of the committee's meetings shall be formally recorded by the secretary and available for the board, with an assurance report from the Committee provided to the Board. The chair of the committee shall draw to the attention of the board any issues that require disclosure to the full board or require executive action.</p> <p>The committee will report to the board at least annually on its work in support of the annual governance statement and annual report.</p> <p>An annual committee effectiveness evaluation will be undertaken and reported to the committee and the board.</p>
<p>6. Membership / Attendance</p>	<p>Membership Membership of the committee will comprise the Non-Executive members of the Board of Directors. The Chair of the Board shall be the Chair of the committee; the Senior Independent Director may chair the meeting in his/her absence.</p>

	<p>Attendance Only members of the Committee have the right to attend and vote at Committee meetings. However, the following will be invited to attend meetings of the Committee on a regular basis:</p> <ul style="list-style-type: none"> • Chief Executive Officer • Chief People Officer • Director of Corporate Affairs <p>Other trust officers will attend as required by the committee, at the request of the Chair.</p> <p>Any attendee will be asked to leave the meeting when the Committee is dealing with matters concerning their appointment or removal, remuneration or terms of service.</p>
<p>7. Quorum</p>	<p>A quorum shall be made up of four members. No business shall be conducted unless a quorum is present.</p>
<p>8. Administrative Support</p>	<p>The committee shall be supported administratively by its secretary. Their duties in this respect will include:</p> <ul style="list-style-type: none"> • agreement of agendas with the chair and attendees • preparation, collation and circulation of papers in good time • inviting additional attendees to meetings as required • taking the minutes and helping the chair to prepare reports to the board • keeping a record of matters arising and issues to be carried forward
<p>9. Frequency of Meeting</p>	<p>Meetings shall be held at least twice a year but may be held more frequently should circumstances require (to be determined by the Committee Chair).</p>
<p>10. Date Approved</p>	<p>These terms of reference will be reviewed at least annually and more frequently if required. Any proposed amendments to the terms of reference will be submitted to the Remuneration Committee</p> <ul style="list-style-type: none"> • Approved by the Remuneration Committee xxx • Approved by the DCH Board of Directors 08 April 2026